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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Check Cashers and Sellers Act of Washington by:

ZIPPY CASH, LLC, d/b/a ZIPPY CASH and d/b/a
ADVANCE TIL PAYDAY and DANIEL M. VAN
GASKEN, Managing Member and Executive
Trustee,

Respondents.

NO. C-06-186-06-SC01

STATEMENT OF CHARGES,
ORDER TO CEASE AND DESIST,
and NOTICE OF INTENTION TO ENTER
AN ORDER TO REVOKE LICENSE, IMPOSE FINE,
ORDER RESTITUTION, BAN FROM INDUSTRY,
AND COLLECT INVESTIGATION FEE

INTRODUCTION

Pursuant to RCW 31.45.110 and RCW 31.45.200, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.45 RCW, the Check Cashers and Sellers Act (Act). After having conducted an investigation pursuant to RCW 31.45.100, and based upon the facts available as of January 2, 2007, the Director institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday (Zippy Cash) was licensed by the Department on May 17, 2001, and continues to be licensed to date. Respondent Zippy Cash is currently licensed to conduct business at six (6) locations in the State of Washington. Respondent's main branch is located at 5214 100th St. SW, Tacoma, WA 98499.

B. Daniel M. Van Gasken (Van Gasken) is the Managing Member and Executive Trustee of Respondent Zippy Cash.

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1 **1.2 Examination.** On October 16, 2006, the Department conducted an on-site examination at the following
2 four branch locations:

3 14705 Union Ave. SW, Tacoma, WA 98499 (Branch One)

4 5214 100th St. SW, Tacoma, WA 98499 (Branch Two)

5 4239 Pacific Ave. SE, Lacey, WA 98503 (Branch Three)

6 602 N. Pearl St., Tacoma, WA 98407 (Branch Four)

7 **1.3 Making Small Loans in Excess of Statutory Maximum at Multiple Zippy Cash Locations.** Based
8 on reports produced by Respondent during the onsite examination discussed in paragraph 1.3, Respondents
9 have provided borrowers with small loans with total aggregated principals exceeding the statutory maximum of
10 seven hundred dollars (\$700) at any one time. The following represents some of the instances discovered by the
11 Department at four (4) of Respondents' six (6) branch locations.

12 **Borrower A**

13 A. On September 12, 2005, Borrower A obtained a \$250 loan from Branch One. That same day,
14 Borrower A obtained a \$500 loan from Branch Two for a total aggregated principal of \$750.

15 On September 23, 2005, Borrower A repaid the September 12th loan and obtained another \$250 loan
16 from Branch One. That same day, Borrower A repaid the September 12th loan and obtained another \$500 loan
17 from Branch Two for a total aggregated principal of \$750.

18 On October 7, 2005, with the \$500 loan from Branch Two still outstanding, Borrower A repaid the
19 September 23rd loan and obtained another \$250 loan from Branch One. On October 8, 2005, with the \$250 loan
20 from Branch One still outstanding, Borrower A repaid the September 23rd loan and obtained another \$500 loan
21 from Branch Two for a total aggregated principal of \$750.

22 On December 2, 2005, Borrower A obtained a \$400 loan from Branch One. On December 16, 2005,
23 with the \$400 loan from Branch One still outstanding, Borrower A obtained a \$500 loan from Branch Two for a
24 total aggregated principal of \$900.

1 On January 31, 2006, Borrower A obtained a \$500 loan from Branch One. That same day, Borrower A
2 obtained a \$500 loan from Branch Two for a total aggregated principal of \$1,000.

3 On February 11, 2006, Borrower A repaid the January 31st loan and obtained another \$500 loan from
4 Branch One. That same day, Borrower A repaid the January 31st loan and obtained another \$500 loan from
5 Branch Two for a total aggregated principal of \$1,000.

6 On February 24, 2006, Borrower A repaid the February 11th loan and obtained another \$500 loan from
7 Branch One. That same day, Borrower A repaid the February 11th loan and obtained another \$500 loan from
8 Branch Two for a total aggregated principal of \$1,000.

9 On May 22, 2006, Borrower A obtained a \$700 loan from Branch One. That same day, Borrower A
10 obtained a \$700 loan from Branch Two for a total aggregated principal of \$1,400.

11 **Borrower B**

12 B. On October 13, 2005, Borrower B obtained a \$500 loan from Branch One. On October 14,
13 2005, with the \$500 loan from Branch One still outstanding, Borrower B obtained a \$400 loan from Branch
14 Two for a total aggregated principal of \$900.

15 On October 28, 2005, Borrower B repaid the October 13th loan and obtained another \$500 loan from
16 Branch One. That same day, Borrower B repaid the October 14th loan and obtained another \$400 loan from
17 Branch Two for a total aggregated principal of \$900.

18 On November 10, 2005, with the \$400 loan from Branch Two still outstanding, Borrower B repaid the
19 October 28th loan and obtained another \$500 loan from Branch One. On November 11, 2005, with the \$500
20 loan from Branch One still outstanding, Borrower B repaid the October 28th loan and obtained a \$400 loan from
21 Branch Two for a total aggregated principal of \$900.

22 On November 25, 2005, Borrower B repaid the November 10th loan and obtained another \$500 loan
23 from Branch One. That same day, Borrower B repaid the November 11th loan and obtained another \$400 loan
24 from Branch Two for a total aggregated principal of \$900.

25 On December 9, 2005, Borrower B repaid the November 25th loan and obtained another \$500 loan from

1 Branch One. That same day, Borrower B repaid the November 25th loan and obtained another \$400 loan from
2 Branch Two for a total aggregated principal of \$900.

3 On March 17, 2006, Borrower B obtained a \$500 loan from Branch One. On March 23, 2006, with the
4 \$500 loan from Branch One still outstanding, Borrower B obtained a \$500 loan from Branch Two for a total
5 aggregated principal of \$1,000.

6 On March 30, 2006, Borrower B repaid the March 17th loan and obtained another \$500 loan from
7 Branch One. At that time, the \$500 loan obtained from Branch Two on March 23rd was still outstanding,
8 resulting in a total aggregated principal of \$1,000.

9 On April 7, 2006, Borrower B repaid the March 30th loan and obtained another \$500 loan from Branch
10 One. At that time, the \$500 loan obtained from Branch Two on March 23rd was still outstanding, resulting in a
11 total aggregated principal of \$1,000.

12 On April 14, 2006, Borrower B repaid the March 23rd loan and obtained another \$500 loan from Branch
13 Two. At that time, the \$500 loan obtained from Branch One on April 7th was still outstanding, resulting in a
14 total aggregated principal of \$1,000.

15 On April 20, 2006, Borrower B repaid the April 7th loan and obtained another \$500 loan from Branch
16 One. At that time, the \$500 loan obtained from Branch Two on April 14th was still outstanding, resulting in a
17 total aggregated principal of \$1,000.

18 On April 28, 2006, Borrower B repaid the April 14th loan and obtained another \$500 loan from Branch
19 Two. At that time, the \$500 loan obtained from Branch One on April 20th was still outstanding, resulting in a
20 total aggregated principal of \$1,000.

21 On May 12, 2006, Borrower B repaid the April 20th loan and obtained another \$500 loan from Branch
22 One. That same day, Borrower B repaid the April 28th loan and obtained another \$500 loan from Branch Two
23 for a total aggregated principal of \$1,000.

1 On May 26, 2006, Borrower B repaid the May 12th loan and obtained another \$500 loan from Branch
2 One. That same day, Borrower B repaid the May 12th loan and obtained another \$500 loan from Branch Two
3 for a total aggregated principal of \$1,000.

4 On August 4, 2006, Borrower B obtained a \$600 loan from Branch One. That same day, Borrower B
5 obtained a \$500 loan from Branch Two for a total aggregated principal of \$1,100.

6 On August 18, 2006, Borrower B repaid the August 4th loan and obtained another \$600 loan from
7 Branch One. That same day, Borrower B repaid the August 4th loan and obtained another \$500 loan from
8 Branch Two for a total aggregated principal of \$1,100.

9 On October 13, 2006, Borrower B obtained a \$300 loan from Branch One. That same day, Borrower B
10 obtained a \$600 loan from Branch Two for a total aggregated principal of \$900.

11 **Borrower C**

12 C. On November 11, 2005, Borrower C obtained a \$550 loan from Branch One. That same day,
13 Borrower C obtained a \$550 loan from Branch Two for a total aggregated principal of \$1,100.

14 On November 26, 2005, with the \$550 loan from Branch One still outstanding, Borrower C repaid the
15 November 11th loan and obtained a \$550 loan from Branch Two. On November 28, 2005, with the \$550 loan
16 from Branch Two still outstanding, Borrower C repaid the November 11th loan and obtained another \$550 loan
17 from Branch One for a total aggregated principal of \$1,100.

18 **Borrower D**

19 D. On January 3, 2005, Borrower D obtained a \$500 loan from Branch Two. That same day,
20 Borrower D obtained a \$500 loan from Branch Three. On January 4, 2005, Borrower D obtained a \$700 loan
21 from Branch One for a total aggregated principal of \$1,700.

22 On February 1, 2005, with the \$700 loan from Branch One still outstanding, Borrower D repaid the
23 January 3rd loan and obtained another \$500 loan from Branch Two. That same day, Borrower D repaid the
24 January 3rd loan and obtained another \$700 loan from Branch Three. On February 2, 2005, with the \$500 loan
25 from Branch Two and the \$700 loan from Branch Three still outstanding, Borrower D repaid the January 4th

1 loan and obtained another \$700 loan from Branch One for a total aggregated principal of \$1,900.

2 On March 1, 2005, with the \$700 loan from Branch One still outstanding, Borrower D repaid the
3 February 1st loan and obtained another \$500 loan from Branch Two. That same day, Borrower D repaid the
4 February 1st loan and obtained another \$700 loan from Branch Three. On March 2, 2005, with the \$500 loan
5 from Branch Two and the \$700 loan from Branch Three still outstanding, Borrower D repaid the February 2nd
6 loan and obtained another \$700 loan from Branch One for a total aggregated principal of \$1,900.

7 On April 1, 2005, with the \$700 loan from Branch One still outstanding, Borrower D repaid the March
8 1st loan and obtained another \$500 loan from Branch Two. That same day, Borrower D repaid the March 1st
9 loan and obtained another \$700 loan from Branch Three. On April 2, 2005, with the \$500 loan from Branch
10 Two and the \$700 loan from Branch Three still outstanding, Borrower D repaid the March 2nd loan and obtained
11 another \$700 loan from Branch One for a total aggregated principal of \$1,900.

12 On May 2, 2005, with the \$700 loan from Branch One still outstanding, Borrower D repaid the April 1st
13 loan and obtained another \$500 loan from Branch Two. That same day, Borrower D repaid the April 1st loan
14 and obtained another \$700 loan from Branch Three. On May 3, 2005, with the \$500 loan from Branch Two and
15 the \$700 loan from Branch Three still outstanding, Borrower D repaid the April 2nd loan and obtained another
16 \$700 loan from Branch One for a total aggregated principal of \$1,900.

17 On June 1, 2005, with the \$700 loan from Branch One still outstanding, Borrower D repaid the May 2nd
18 loan and obtained another \$700 loan from Branch Three. On June 2, 2005, with the \$700 loan from Branch
19 Three still outstanding, Borrower D repaid the May 2nd loan and obtained another \$500 loan from Branch Two.
20 That same day, Borrower D repaid the May 3rd loan and obtained another \$700 loan from Branch One for a total
21 aggregated principal of \$1,900.

22 On July 5, 2005, with the \$700 loan from Branch One still outstanding, Borrower D repaid the June 2nd
23 loan and obtained another \$500 loan from Branch Two. That same day, Borrower D repaid the June 1st loan
24 and obtained another \$700 loan from Branch Three. On July 6, 2005, with the \$500 loan from Branch Two and
25 the \$700 loan from Branch Three still outstanding, Borrower D repaid the June 2nd loan and obtained another

1 \$700 loan from Branch One for a total aggregated principal of \$1,900.

2 On September 1, 2005, Borrower D obtained a \$700 loan from Branch One. That same day, Borrower
3 D obtained a \$700 loan from Branch Three. On September 2, 2005, with the \$700 loan from Branch One and
4 the \$700 loan from Branch Three still outstanding, Borrower D obtained a \$500 loan from Branch Two for a
5 total aggregated principal of \$1,900.

6 On October 3, 2005, with the \$500 loan from Branch Two still outstanding, Borrower D repaid the
7 September 1st loan and obtained another \$700 loan from Branch One. That same day, Borrower D repaid the
8 September 1st loan and obtained another \$700 loan from Branch Three. On October 4, 2005, with the \$700 loan
9 from Branch One and the \$700 loan from Branch Three still outstanding, Borrower D repaid the September 2nd
10 loan and obtained another \$500 loan from Branch Two for a total aggregated principal of \$1,900.

11 On November 1, 2005, with the \$500 loan from Branch Two still outstanding, Borrower D repaid the
12 October 3rd loan and obtained another \$700 loan from Branch One. That same day, Borrower D repaid the
13 October 3rd loan and obtained another \$700 loan from Branch Three. On November 2, 2005, with the \$700 loan
14 from Branch One and the \$700 loan from Branch Three still outstanding, Borrower D repaid the October 4th
15 loan and obtained another \$500 loan from Branch Two for a total aggregated principal of \$1,900.

16 On December 2, 2005, Borrower D repaid the November 1st loan and obtained another \$700 loan from
17 Branch One. That same day, Borrower D repaid the November 2nd loan and obtained another \$700 loan from
18 Branch Two, and repaid the November 1st loan and obtained another \$700 loan from Branch Three for a total
19 aggregated principal of \$2,100.

20 On January 3, 2006, Borrower D repaid the December 2nd loan and obtained another \$700 loan from
21 Branch One. That same day, Borrower D repaid the December 2nd loan and obtained another \$700 loan from
22 Branch Two, and repaid the December 2nd loan and obtained another \$700 loan from Branch Three for a total
23 aggregated principal of \$2,100.

24 On February 2, 2006, with the \$700 loans from Branches One and Three still outstanding, Borrower D
25 repaid the January 3rd loan and obtained another \$700 loan from Branch Two. On February 3, 2006, with the

1 \$700 loan from Branch Two still outstanding, Borrower D repaid the January 3rd loan and obtained another
2 \$700 loan from Branch Three. On February 4, 2006, with the \$700 loan from Branch Two and the \$700 loan
3 from Branch Three still outstanding, Borrower D repaid the January 3rd loan and obtained another \$700 loan
4 from Branch One, for a total aggregated principal of \$2,100.

5 On March 1, 2006, with the \$700 loan from Branch Two still outstanding, Borrower D repaid the
6 February 4th loan and obtained another \$700 loan from Branch One. That same day, Borrower D repaid the
7 February 3rd loan and obtained another \$700 loan from Branch Three. On March 2, 2006, with the \$700 loan
8 from Branch One and the \$700 loan from Branch Three outstanding, Borrower D repaid the February 2nd loan
9 and obtained another \$700 loan from Branch Two for a total aggregated principal of \$2,100.

10 **Borrower E**

11 E. On October 25, 2004, Borrower E obtained a \$700 loan from Branch One. That same day,
12 Borrower E obtained a \$700 loan from Branch Two for a total aggregated principal of \$1,400.

13 On November 24, 2004, Borrower E repaid the October 25th loan and obtained another \$700 loan from
14 Branch One. That same day, Borrower E repaid the October 25th loan and obtained another \$700 loan from
15 Branch Two for a total aggregated principal of \$1,400.

16 On December 23, 2004, Borrower E repaid the November 24th loan and obtained another \$700 loan
17 from Branch One. That same day, Borrower E repaid the November 24th loan and obtained another \$700 loan
18 from Branch Two for a total aggregated principal of \$1,400.

19 On January 25, 2005, Borrower E repaid the December 23rd loan and obtained another \$700 loan from
20 Branch One. That same day, Borrower E repaid the December 23rd loan and obtained another \$700 loan from
21 Branch Two for a total aggregated principal of \$1,400.

22 On February 25, 2005, Borrower E repaid the January 25th loan and obtained another \$700 loan from
23 Branch One. That same day, Borrower E repaid the January 25th loan and obtained another \$700 loan from
24 Branch Two for a total aggregated principal of \$1,400.

25 On March 25, 2005, Borrower E repaid the February 25th loan and obtained another \$700 loan from

1 Branch One. That same day, Borrower E repaid the February 25th loan and obtained another \$700 loan from
2 Branch Two for a total aggregated principal of \$1,400.

3 On May 27, 2005, Borrower E obtained a \$700 loan from Branch One. That same day, Borrower E
4 obtained a \$700 loan from Branch Two for a total aggregated principal of \$1,400.

5 On August 23, 2005, Borrower E obtained a \$700 loan from Branch Two. On August 27, 2005, with the
6 \$700 loan from Branch Two still outstanding, Borrower E obtained a \$700 loan from Branch One for a total
7 aggregated principal of \$1,400.

8 On September 26, 2005, Borrower E repaid the August 27th loan and obtained another \$700 loan from
9 Branch One. That same day, Borrower E repaid the August 23rd loan and obtained another \$700 loan from
10 Branch Two for a total aggregated principal of \$1,400.

11 On October 25, 2005, with the \$700 loan from Branch Two still outstanding, Borrower E repaid the
12 September 26th loan and obtained another \$700 loan from Branch One. On October 26, 2005, with the \$700
13 loan from Branch One still outstanding, Borrower E repaid the September 26th loan and obtained another \$700
14 loan from Branch Two for a total aggregated principal of \$1,400.

15 On November 25, 2005, with the \$700 loan from Branch One still outstanding, Borrower E repaid the
16 October 26th loan and obtained another \$700 loan from Branch Two. On November 26, 2005, with the \$700
17 loan from Branch Two still outstanding, Borrower E repaid the October 25th loan and obtained another \$700
18 loan from Branch One for a total aggregated principal of \$1,400.

19 On December 23, 2005, with the \$700 loan from Branch Two still outstanding, Borrower E repaid the
20 November 26th loan and obtained another \$700 loan from Branch One. On December 24, 2005, with the \$700
21 loan from Branch One still outstanding, Borrower E repaid the November 25th loan and obtained another \$700
22 loan from Branch Two for a total aggregated principal of \$1,400.

23 On January 25, 2006, with the \$700 loan from Branch Two still outstanding, Borrower E repaid the
24 December 23rd loan and obtained another \$700 loan from Branch One. On January 26, 2006, with the \$700
25 loan from Branch One still outstanding, Borrower E repaid the December 24th loan and obtained another \$700

1 loan from Branch Two for a total aggregated principal of \$1,400.

2 On February 24, 2006, with the \$700 loan from Branch One still outstanding, Borrower E repaid the
3 January 26th loan and obtained another \$700 loan from Branch Two. On February 25, 2006, with the \$700 loan
4 from Branch Two still outstanding, Borrower E repaid the January 25th loan and obtained another \$700 loan
5 from Branch One for a total aggregated principal of \$1,400.

6 On March 27, 2006, Borrower E repaid the February 25th loan and obtained another \$700 loan from
7 Branch One. That same day, Borrower E repaid the February 24th loan and obtained another \$700 loan from
8 Branch Two for a total aggregated principal of \$1,400.

9 **Borrower F**

10 F. On May 3, 2005, Borrower F obtained a \$700 loan from Branch Two. On May 5,
11 2005, with the \$700 loan from Branch Two still outstanding, Borrower F obtained a \$700 loan from Branch
12 One for an aggregated principal of \$1,400.

13 On June 1, 2005, with the \$700 loan from Branch Two still outstanding, Borrower F repaid the May 5th
14 loan and obtained another \$700 loan from Branch One. On June 2, 2005, with the \$700 loan from Branch One
15 still outstanding, Borrower F repaid the May 3rd loan and obtained another \$700 loan from Branch Two for a
16 total aggregated principal of \$1,400.

17 On July 1, 2005, with the \$700 loan from Branch Two still outstanding, Borrower F repaid the June 1st
18 loan and obtained another \$700 loan from Branch One. On July 5, 2005, with the \$700 loan from Branch One
19 still outstanding, Borrower F repaid the June 2nd loan and obtained a \$700 loan from Branch Two for a total
20 aggregated principal of \$1,400.

21 On July 30, 2005, Borrower F repaid the July 1st loan and obtained another \$700 loan from Branch One.
22 That same day, Borrower F repaid the July 5th loan and obtained another \$700 loan from Branch Two for a total
23 aggregated principal of \$1,400.

24 On September 2, 2005, Borrower F repaid the July 30th loan and obtained another \$700 loan from
25 Branch One. That same day, Borrower F repaid the July 30th loan and obtained another \$700 loan from Branch

Two for a total aggregated principal of \$1,400.

On September 30, 2005, with the \$700 loan from Branch Two still outstanding, Borrower F repaid the September 2nd loan and obtained another \$700 loan from Branch One. On October 1, 2005, with the \$700 loan from Branch One still outstanding, Borrower F repaid the September 2nd loan and obtained another \$700 loan from Branch Two for a total aggregated principal of \$1,400.

On November 7, 2005, Borrower F repaid the September 30th loan and obtained another \$700 loan from Branch One. That same day, Borrower F repaid the October 1st loan and obtained another \$700 loan from Branch Two for a total aggregated principal of \$1,400.

On December 5, 2005, with the \$700 loan from Branch One still outstanding, Borrower F repaid the November 7th loan and obtained another \$700 loan from Branch Two. On December 6, 2005, with the \$700 loan from Branch Two still outstanding, Borrower F repaid the November 7th loan and obtained another \$700 loan from Branch One for a total aggregated principal of \$1,400.

1.4 Making Small Loans in Excess of Statutory Maximum at Multiple Zippy Cash and WCS Loans
Locations. Respondents and WCS Loans share common ownership. This structure has resulted in providing borrowers with small loans with aggregated principals exceeding seven hundred dollars (\$700) at any one time. At least two hundred (200) transactions involving at least fifteen (15) borrowers occurred between October 2004 and October 2006, including, but not limited to, the following:

A. Borrower AA had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least six (6) occasions between November 2005 and May 2006 for total aggregated principals in excess of the statutory maximum.

B. Borrower BB had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least eight (8) occasions between August 2005 and March 2006 for total aggregated principals in excess of the statutory maximum.

- 1 **C.** Borrower CC had concurrent outstanding loans from at least one branch of Respondent Zippy
2 Cash and one branch of WCS Loans on at least fourteen (14) occasions between April of 2005
3 and March 2006 for total aggregated principals in excess of the statutory maximum.
- 4 **D.** Borrower DD had concurrent outstanding loans from at least one branch of Respondent Zippy
5 Cash and one branch of WCS Loans on at least twenty four (24) occasions between December
6 2004 and October 2006 for total aggregated principals in excess of the statutory maximum.
- 7 **E.** Borrower EE had concurrent outstanding loans from at least one branch of Respondent Zippy
8 Cash and one branch of WCS Loans on at least three (3) occasions between August and
9 October 2006 for total aggregated principals in excess of the statutory maximum.
- 10 **F.** Borrower FF had concurrent outstanding loans from at least one branch of Respondent Zippy
11 Cash and one branch of WCS Loans on at least twelve (12) occasions between April and
12 October 2006 for total aggregated principals in excess of the statutory maximum.
- 13 **G.** Borrower GG had concurrent outstanding loans from at least one branch of Respondent Zippy
14 Cash and one branch of WCS Loans on at least eight (8) occasions between April and June
15 2006 for total aggregated principals in excess of the statutory maximum.
- 16 **H.** Borrower HH had concurrent outstanding loans from at least one branch of Respondent Zippy
17 Cash and one branch of WCS Loans on at least twenty four (24) occasions between December
18 2004 and November 2005 for total aggregated principals in excess of the statutory maximum.
- 19 **I.** Borrower II had concurrent outstanding loans from at least one branch of Respondent Zippy
20 Cash and one branch of WCS Loans on at least twenty seven (27) occasions between December
21 2004 and October, 2006 for total aggregated principals in excess of the statutory maximum.
- 22 **J.** Borrower JJ had concurrent outstanding loans from at least one branch of Respondent Zippy
23 Cash and one branch of WCS Loans on at least three (3) occasions between August and
24 October 2006 for total aggregated principals in excess of the statutory maximum.
- 25

K. Borrower KK had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least eight (8) occasions between June and October 2006 for total aggregated principals in excess of the statutory maximum.

L. Borrower LL had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least twenty (20) occasions between December 2004 and May 2006 for total aggregated principals in excess of the statutory maximum.

M. Borrower MM had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least six (6) occasions between July and October 2006 for total aggregated principals in excess of the statutory maximum.

N. Borrower NN had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least twenty three (23) occasions between January 2005 and October 2006 for total aggregated principals in excess of the statutory maximum.

O. Borrower OO had concurrent outstanding loans from at least one branch of Respondent Zippy Cash and one branch of WCS Loans on at least fourteen (14) occasions between July and October 2006 for total aggregated principals in excess of the statutory maximum.

1.5 On-Going Investigation. The Department's investigation into the alleged violations of the Act by Respondents continues to date.

II. GROUNDS FOR ENTRY OF ORDER

2.1 Statutory Maximum Principal Amount of Small Loan. Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.45.073(2) for making small loans to any single borrower with aggregated principal exceeding seven hundred dollars (\$700.00) at any one time.

2.2 Authority to Issue Cease and Desist Order. Pursuant to RCW 31.45.110, the Director is authorized to issue a cease and desist order if a licensee is violating or has violated the Act including rules and orders; commits any act or engages in conduct that demonstrates incompetence or untrustworthiness or is a source of

1 injury or loss to the public; or knowingly commits or is a party to any material fraud, misrepresentation,
2 concealment, conspiracy, collusion, trick, scheme, or device whereby any other person relying upon the word,
3 representation, or conduct acts to his or her injury or damage.

4 **2.3 Authority to Revoke License.** Pursuant to RCW 31.45.110, the Director may revoke a license if a
5 licensee is violating or has violated the Act including rules and orders; commits any act or engages in conduct
6 that demonstrates incompetence or untrustworthiness or is a source of injury or loss to the public; or knowingly
7 commits or is a party to any material fraud, misrepresentation, concealment, conspiracy, collusion, trick,
8 scheme, or device whereby any other person relying upon the word, representation, or conduct acts to his or her
9 injury or damage.

10 **2.4 Authority to Impose Fine.** Pursuant to RCW 31.45.110, the Director may impose a fine, not to exceed
11 one hundred dollars per day for each day's violation of the Act, on any licensee or applicant, or any director,
12 officer, sole proprietor, partner, controlling person, or employee of a licensee or applicant, that is violating or
13 has violated the Act including rules and orders; commits any act or engages in conduct that demonstrates
14 incompetence or untrustworthiness or is a source of injury or loss to the public; or knowingly commits or is a
15 party to any material fraud, misrepresentation, concealment, conspiracy, collusion, trick, scheme, or device
16 whereby any other person relying upon the word, representation, or conduct acts to his or her injury or damage.

17 **2.5 Authority to Order Restitution.** Pursuant to RCW 31.45.110(2)(d), the Director may order restitution
18 to borrowers damaged by the licensee's violation of this chapter.

19 **2.6 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110, the Director may
20 remove from office or ban from participation in the conduct of the affairs of any licensee any director, officer,
21 sole proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the Act
22 including rules and orders; commits any act or engages in conduct that demonstrates incompetence or
23 untrustworthiness or is a source of injury or loss to the public; or knowingly commits or is a party to any
24 material fraud, misrepresentation, concealment, conspiracy, collusion, trick, scheme, or device whereby any
25 other person relying upon the word, representation, or conduct acts to his or her injury or damage.

1 **2.7 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC 208-
2 630-015, WAC 208-630-020, WAC 208-630-023 and WAC 208-630-02303, the Director shall collect from the
3 licensee the actual cost of an examination or investigation of the business, books, accounts, records, files, or other
4 information of a licensee or person who the Director has reason to believe is engaging in the business governed by
5 the Act. The investigation charge will be calculated at the rate of sixty-nine dollars and one cent (\$69.01) per hour
6 that each staff person devoted to the investigation, plus actual expenses.

7
8 **III. ORDER TO CEASE AND DESIST**

9 Based on the above Factual Findings and Grounds for Entry of Order and pursuant to RCW
10 31.45.110(1)(b), RCW 31.45.110(1)(c), and RCW 31.45.110(2)(b), the Director determines the acts and
11 conduct of Respondents Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday, and Daniel M. Van
12 Gasken, and the continuation of such conduct, is likely to cause substantial injury to the public. Therefore, the
13 Director ORDERS that:

14 **3.1** Respondents Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday, and Daniel M. Van
15 Gasken are to immediately cease and desist from the making of small loans in excess of the statutory maximum
16 at any one location or from multiple locations.

17 **3.2** Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday, and Daniel M. Van Gasken are to
18 retain all records of any small loan or loan activity and make these records immediately available for the
19 Department's inspection.

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IV. NOTICE OF INTENTION TO ENTER ORDER

Respondents' violations of the provisions of chapter 31.45 RCW and chapter 208-630 WAC, as set forth in the above Factual Allegations and Grounds for Entry of Order, constitute a basis for the entry of an Order under RCW 31.45.110 and RCW 31.45.200. Therefore, it is the Director's intention to ORDER that:

- 4.1** Respondent Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday's license to conduct the business of a check casher with a small loan endorsement be revoked
- 4.2** Respondents Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday and Daniel M. Van Gasken jointly and severally pay a fine of \$557,800 for the following:
- a.** Making nine (9) small loans to Borrower A in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per day for 114 days
 - b.** Making seventeen (17) small loans to Borrower B in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per day for 216 days
 - c.** Making three (3) small loans to Borrower C in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per day for 34 days
 - d.** Making thirty-eight (38) small loans to Borrower D in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per day for 894 days
 - e.** Making twenty (20) small loans to Borrower E in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per day for 479 days
 - f.** Making twelve (12) small loans to Borrower F in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per day for 261 days
 - g.** Making (6) small loans to Borrower AA in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 31 days
 - h.** Making eight (8) small loans to Borrower BB in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 23 days
 - i.** Making fourteen (14) small loans to Borrower CC in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 24 days
 - j.** Making twenty four (24) small loans to Borrower DD in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 15 days
 - k.** Making three (3) small loans to Borrower EE in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 21 days
 - l.** Making twelve (12) small loans to Borrower FF in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 14 days
 - m.** Making three (3) small loans to Borrower GG in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 25 days
 - n.** Making twenty four (24) small loans to Borrower HH in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 14 days
 - o.** Making twenty seven (27) small loans to Borrower II in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 15 days
 - p.** Making three (3) small loans to Borrower JJ in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 21 days
 - q.** Making eight (8) small loans to Borrower KK in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 13 days
 - r.** Making twenty (20) small loans to Borrower LL in excess of the statutory maximum in violation of

RCW 31.45.073(2), calculated at \$100 per loan per day for 16 days

s. Making six (6) small loans to Borrower MM in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 13 days

t. Making twenty three (23) small loans to Borrower NN in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 24 days

u. Making fourteen (14) small loans to Borrower OO in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 25 days

4.3 Respondents Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday and Daniel M. Van Gasken jointly and severally pay restitution to all affected borrowers for any interest or fees collected on small loans made in excess of the statutory maximum from October 2004 through the date of this order, including, but not limited to, at least \$327.50 collected from Borrower A, at least \$675 collected from Borrower B, at least \$120 collected from Borrower C, at least \$2,630 collected from Borrower D, at least \$1,520 collected from Borrower E, and at least \$747.50 collected from Borrower F, as discussed in paragraph 1.2, and at least \$15,000 collected from Borrowers AA through OO, as discussed in paragraph 1.3.

4.4 Respondent Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday be banned from participation in the conduct of the affairs of any check casher or check casher with a small loan endorsement subject to licensure by the Director, in any manner, for a period of five (5) years

4.5 Respondent Daniel M. Van Gasken be banned from participation in the conduct of the affairs of any check casher or check casher with a small loan endorsement or check seller subject to licensure by the Director, in any manner, for a period of five (5) years

4.6 Respondent Zippy Cash, LLC, d/b/a Zippy Cash and d/b/a Advance Til Payday pay an investigation fee in the amount of \$8,643.50, calculated at \$69.01 per hour for the one hundred twenty five and one quarter (125.25) staff hours devoted to the investigation.

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1 IV. AUTHORITY AND PROCEDURE

2 This Statement of Charges, Order to Cease and Desist, and Notice of Intention to Enter an Order to Revoke
3 License, Impose Fine, Order Restitution, Ban from Industry, and Collect Investigation Fee (Statement of
4 Charges) is entered pursuant to the provisions of RCW 31.45.110 and RCW 31.45.200, and is subject to the
5 provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written
6 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY
7 FOR HEARING accompanying this Statement of Charges.

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9 Dated this 3rd day of January, 2007.

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12 DEBORAH BORTNER
13 Acting Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:

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19 RAYNE PEARSON
20 Financial Legal Examiner

21 Approved by:

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24 JAMES R. BRUSSELBACK
25 Enforcement Chief

